

May 16, 2019

Lorry Bottrill Chief Executive Officer Mercy Care 4350 E. Cotton Center Blvd. Phoenix, Arizona 85040

RE: Release from October 29, 2018 Compliance Actions_ Telephone Performance Standards

Dear Mrs. Bottrill:

On October 29, 2018, the Arizona Health Care Cost Containment System, Division of Health Care Management (AHCCCS) issued a \$50,000 Sanction to Mercy Care for noncompliance with its YH19-0001-05 AHCCCS Complete Care Contract and its YH14-0001-08 Acute Care Contract regarding failure to maintain compliance with established telephone performance standards.

Mercy Care has corrected the deficiencies outlined in the October 29, 2018 Sanction letter including submission and implementation of an Action Plan. As part of its remediation, Mercy Care addressed performance of timely responses to member and provider call services and inquiries as mandated by Contract and Policy requirements through a variety of methods including: implementation of a delegated arrangement with entities to provide transportation call center services; addressing workforce management concerns; incorporating technology to improve call center efficiencies and increased call center oversight efforts.

Mercy Care has demonstrated the ability to meet and sustain compliance for the past four months (December 2018 - April 2019) and as a result AHCCCS is closing the Sanction and all associated monthly reporting requirements.

AHCCCS expects that Mercy Care will continue to demonstrate sustained compliance regarding Contract and Policy requirements for Telephone Performance Standards. Further non-compliance may result in additional Administrative Actions.

Should you have any questions regarding this matter, please contact Virginia Rountree at <u>Virginia.Rountree@azahcccs.gov</u> or 602.417.4122.

Sincerely,

Meggan LaPorte, CPPO, MSW

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Chief Procurement Officer

Cc: Virginia Rountree, AHCCCS
Christina Quast, AHCCCS
Michelle Holmes, AHCCCS
Ena Binns, AHCCCS
Bernadette Moreno, Mercy Care
Carissa Townsend, Mercy Care
Kellie Manders, Mercy Care
James Maguire, Mercy Care